

**Remarks by FTC Chairman Deborah Platt Majoras  
Initial Meeting of the President's Identity Theft Task Force  
May 22, 2006**

Thank you, General Gonzalez. I look forward to working with you and our federal agency colleagues on the President's Identity Theft Task Force.

By creating this Task Force, the President has underscored the importance of the government's role in the fight against identity theft. The Department of Veterans Affairs data incident underscores the risk of identity theft. Personal information is the currency of our new information economy. It permits the global marketplace to be brought digitally to our doorsteps, indeed our fingertips. But like cash currency, it also attracts thieves. These identity thieves are cheats and cowards. Unlike their victims, identity thieves do not work to earn their resources and to establish good names and good credit. Instead, they steal from others in a most insidious manner – by taking their identities.

Today, the Task Force was presented with one of its first major challenges, dealing with the recent unauthorized access to sensitive personal information of our nation's veterans. It is a terrible thing indeed that those that have given so much to our country should be subject to these concerns. But the Task Force is taking steps to deal with this problem. To name just a few:

- Federal law enforcement agents are working with local law enforcers to track down the perpetrators.
- The FTC, General Services Administration, and the VA are working together so that affected veterans have streamlined access to accurate information about what they can do in response to this incident.
- We are working with the nation's three credit reporting agencies to provide veterans with streamlined access to information about their right to obtain an annual free credit report, and their ability to place fraud alerts on their credit files if they choose to do so.
- And the Office of Management and Budget is instructing all federal agencies to institute additional data management reviews to ensure this unfortunate episode is not repeated at other agencies.

As more information about this crime becomes available, the Task Force will review it to determine if there are additional steps to respond.

This incident reflects the larger concerns the Task Force was created to address. The President has charged the Task Force with improving coordination to assist Americans and to ensure that we are using our entire federal arsenal to prevent, investigate, and prosecute identity theft crimes and deliver just and effective punishment of those who perpetrate them. The Task Force has an important opportunity to develop better enforcement strategies including improved coordination between Federal and state prosecutors and enhanced training of federal and state law enforcement personnel.

All of our efforts must be directed at developing a new culture of data security in this information age. Consistent educational messages will be delivered as broadly as possible. The FTC's new public outreach campaign explains to consumers how to "Deter, Detect, and Defend" against identity theft and what to do if they suspect it. Through the Task Force, we will work with all federal agencies to become partners in this endeavor.

And the Task Force will work to enhance the security of sensitive personal information held by both the public and private sector. Plainly, Americans' concerns about the security of their personal data and their risk of identity theft heighten with every report of a data breach. Our agencies must continue to educate firms about safeguarding consumers' data and how to deal with breaches, and use our available law enforcement tools against those who fail to take reasonable security steps. Similarly, we must work throughout the federal government – which itself is a holder of a tremendous amount of consumer data – to ensure that all agencies have implemented reasonable security measures.

As the President said, there is no single answer to identity theft. It requires a coordinated response at all levels. Government officials, the private sector, and consumers all play critical roles in this fight. The creation of this Task Force ensures that we will pool our resources and use our respective and collective strengths in law enforcement, public outreach, and data security to help create a culture of data security, so that we can greatly diminish commission of this crime.

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